

The Honorable Tana Lin

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

BUNGIE, INC.,

Plaintiff,

v.

ELITE BOSS TECH INCORPORATED,
11020781 CANADA INC., DANIEL
FAGERBERG LARSEN, ROBERT JAMES
DUTHIE NELSON, SEBASTIAAN JUAN
THEODOOR CRUDEN A/K/A
“LUZYPHER,” JOHN DOE NO. 4 A/K/A
“GOODMAN,” YUNXUAN DENG A/K/A
“YIMOSECAI,” ANTHONY ROBINSON
A/K/A “RULEZZGAME,” EDDIE TRAN
A/K/A “SENTIENT”, CHENZHIJIE CHEN
A/K/A “CHENZHIJIE402, DSOF, CVR
37454303, MARTA MAGALHAES A/K/A
MINDBENDER A/K/A BLUEGIRL, AND
JOHN DOES NO. 9-20,

Defendants.

Case No. 2:21-cv-01112-TL

DECLARATION OF ROBERT NELSON
IN SUPPORT OF MOTION FOR
DEFAULT

1. My name is Robert James Duthie Nelson. The facts stated herein are true and correct based on my personal knowledge, and I could and would testify competently thereto if required to do so.

1 2. I, along with “Badger” and Daniel Larsen, am one of the three partners in a cheat
2 software business (“Wallhax”). Wallhax is a commercial enterprise that operates on a for-profit
3 basis, selling licenses to cheat software directly through multiple websites – Wallhax.com,
4 ArtificialSensei.com, and CheatAutomation.com – and indirectly through reseller partners.
5 Wallhax’s software (the “Software”) is designed to enable its users to cheat at video games. ,
6 including popular multiplayer games.

7 3. Badger is, to the best of my knowledge, a resident of Germany. Larsen is, to the
8 best of my knowledge, a resident of Denmark. I am a resident of Canada.

9 4. I am the sole owner of Elite Boss Tech, Inc., (“EBT”) and 11020781 Canada
10 (“1102 Canada”) two corporations that we use in connection with the Wallhax business; EBT
11 owns the CheatAutomation.com and ArtificialSensei.com domains, while 1102 Canada
12 maintains payment processor accounts used in the Wallhax business. Larsen participated in the
13 business both individually and through his Danish sole proprietorship DSoft. Badger participated
14 individually. Wallhax is not itself a registered business entity.

15 5. One of the games we developed cheat software for is Bungie’s game Destiny 2
16 (the “Destiny 2 Software”).

17 6. Each of us made different contributions to the enterprise. I used my prior
18 experience as an affiliate for the cheat software website DamnCheaters.com to provide business
19 and marketing expertise, and I handled the financial aspects of the business, including sending
20 the monthly distribution of proceeds to Badger and Larsen.

21 7. Badger and Larsen provided software engineering and coding skills, and
22 developed our Software. Larsen, in particular, developed the “Framework” code that Wallhax
23 used as the base for any cheat Software we developed for individual games, and was the lead
24 developer for the Destiny 2 Software.

25 8. We viewed our contributions as being equally important to the success of Wallhax
26 as a business enterprise. We made decisions together as to how to operate the business, including

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1 on which games to offer cheats for. We shared expenses, such as website hosting costs or access
2 to software needed to develop cheats equally., and we re-invested funds that we received from
3 our sales into the business, for example by gaining access to new video games to develop and
4 market new cheats. We shared the profits from Wallhax in even thirds.

5 9. All three of us – myself, Badger, and Larsen – had a financial interest in Wallhax.
6 All three of us also had some control over Wallhax and how Wallhax did business.

7 10. In order to run the business and carry out its activities, we communicated with
8 each other using email, voice chat, and text chat, including via telegram. As part of my
9 settlement in this case, I provided logs of the telegram chats between myself and Larsen to
10 Bungie.

11 11. I also routinely engaged in communications with customers who were based in
12 the United States, generally using various means of internet-based communication.

13 12. I have been involved in the business of selling cheat software since approximately
14 2010, when I began selling cheats as an affiliate of DamnCheaters.com. Because I was highly
15 successful in that role, Oliver Baumgart, the owner of DamnCheaters.com, offered me the
16 opportunity to go into business with him.

17 13. I started the CheatAutomation website in 2012, in partnership with Badger and
18 Oliver Baumgart. Badger was a coder who had been involved in programming cheats for
19 DamnCheaters.com. Baumgart was part of CheatAutomation for a time, but left the enterprise at
20 some point prior to 2014.

21 14. Though I do not recall the exact date, Daniel Larsen began working with me after
22 CheatAutomation opened in 2012 and before Wallhax started operating in 2014.
23 CheatAutomation initially only sold offerings on behalf of DamnCheaters.com, but soon started
24 providing support for those cheats and updating them, with Badger working to do the
25 programming needed to update the cheats that were offered.
26

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MILLER NASH LLP
ATTORNEYS AT LAW
T: 206.624.8300 | F: 206.340.9599
PIER 70
2801 ALASKAN WAY, STE 300
SEATTLE, WASHINGTON 98121

1 15. In 2014, the three of us, Badger, Larsen, and myself, began operating the Wallhax
2 site, and doing business as Wallhax.

3 16. The Wallhax enterprise exists for the sole purpose of selling cheat Software, and
4 it does not engage in other business activities. Wallhax sells subscriptions that allow users to
5 access cheat Software for terms of various lengths, generally ranging from three days to three
6 months. Although Wallhax has ceased offering the Destiny 2 Software, Wallhax continues to
7 offer cheat Software for other games.

8 17. In addition to selling the Destiny 2 Software on different websites, we also sold
9 the cheats in different formats. Specifically, we offered the Destiny 2 Software as a standalone
10 product, and the also offered the Destiny 2 Software as part of a package that included
11 subscriptions to Cheat Software for a wide range of games.

12 18. Wallhax sells these subscriptions through multiple websites in order to capture a
13 larger portion of the market. The Wallhax.com domain is owned by Daniel Larsen, while EBT
14 owns. Cheatautomation.com and ArtificialSensei.com.

15 19. We also used our affiliates – third party resellers, who would buy subscriptions
16 from us in bulk at wholesale prices and sell them to others at a markup – to further increase our
17 market share. The resellers also serve as a safety net, allowing us to continue sales if and when
18 payment processors limit or close our accounts, which is a risk in the cheat Software business.

19 20. Wallhax accepted payment in multiple currencies from users by credit card,
20 working through a variety of payment processors, as well as accepting several forms of
21 cryptocurrency as payment.

22 21. Our customers are located around the world. Many are based in the United States,
23 and send us payment from the United States.

24 22. During the course of its business, Wallhax used many different payment
25 processors. In large part, this was because Wallhax had difficulty maintaining consistent access
26

1 to payment processors. Payment processors dropped Wallhax as a customer – or refused to
2 accept us as a customer in the first instance – because of the nature of our business.

3 23. Wallhax monitored the function of the cheat Software, including the Destiny 2
4 Cheats, and would update the software as needed to ensure that it remained functional. We also
5 provided ongoing customer support, including issuing refunds when users could not use our
6 Software. Larsen and I were particularly involved in this aspect of our business. As part of our
7 customer support, I would occasionally extend a user’s subscription by a few days as a reward
8 for them leaving us a good review as a thank you.

9 24. We advertised our Software, including the Destiny 2 Software, in many ways,
10 including by making and posting videos to YouTube. We had to use multiple YouTube channels
11 to do this, because of the possibility that our channels might be suspended for copyright strikes
12 on the videos showing cheats for various games.

13 25. The Destiny 2 Software we made available on our websites was a meaningful
14 portion of our income.

15 26. Wallhax first sold access to the Destiny 2 Software in 2019, and continued to do
16 so until we learned that this action had been filed.

17 27. Prior to the filing of this action, we were aware that Bungie was pursuing
18 litigation against other sellers of cheat software, and we took measures to attempt to make
19 ourselves less visible in the hope that we would be overlooked. We took down the specific page
20 on our site that referenced Destiny 2, but we hoped that doing so would increase our chances of
21 being able to sell the Destiny 2 cheat in the long run, because we would be able to restore the
22 page to public view after Bungie’s interest in pursuing cheaters waned.

23 28. The Destiny 2 Software consists of several features that provide our users with in-
24 game advantages. One component, “ESP,” allowed users to see through walls and identify other
25 opponents, including both characters controlled by other characters and characters controlled by
26 the game, that are not in their character’s line of sight.

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1 29. The Destiny 2 Software highlight these hidden characters, making them visible to
2 our users. Without the cheats, the user would not be able to see the hidden characters and would
3 not know where they are located. Knowing where opponents are provides a user of the Software
4 with a considerable advantage in the game. This highlighting is not rendered on the player's
5 screens by any instructions that the Destiny 2 software provides; it is created by our Destiny 2
6 Software.

7 30. The Destiny 2 Software contain features that are user-configurable. For example,
8 the user can select what colors are used to highlight different hidden entities.

9 31. We frequently needed to update the Destiny 2 Software, because Bungie would
10 often release updated versions of Destiny 2 that broke the Destiny 2 Software. We would then
11 have to change our software to get around the measures in the new Destiny 2 version that
12 prevented our Software from working.

13 32. In addition to the Framework code, Larsen was the developer primarily
14 responsible for creating the Destiny 2 Software and its required updates.

15 33. The process of developing the Destiny 2 Software required a great deal of testing,
16 which could only be undertaken by playing Destiny 2. Because Destiny 2 employed anti-cheat
17 technologies, our accounts would often be caught during this process and banned. To continue
18 testing, we created dozens of accounts, and would use these accounts until they were banned.
19 Because Bungie employed many anti-cheat measures, these accounts would often be banned
20 within four hours. In addition, Larsen had been hardware ID banned by Bungie, and had to take
21 measures to evade that ban in order to play the game.

22 34. Larsen was often involved in testing updates to the Destiny 2 Software, which
23 required the use of additional accounts.

24 35. I first became aware of this litigation the day the case was filed. Larsen, Badger
25 and I obtained and circulated a copy of the complaint shortly thereafter, before I was formally
26 served, and we began to seek legal counsel to represent us in this case.

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36. We discussed the case extensively amongst ourselves from the start. We believed, for a variety of reasons, that I had the greatest legal exposure, and we made plans on that basis, including for how to share in the legal expenses.

37. Larsen was an active participant in these discussions. He commented on the overall litigation and on various settlement proposals. He objected to any proposal that would require turning over the source code for any of the Software, including the Destiny 2 Software, to Bungie directly or to Bungie through me, to ensure that the code could not be turned over without his permission. Eventually he agreed that I could turn over the Destiny 2-specific code as part of my settlement with Bungie, but he absolutely refused to allow me to turn over the Framework code, which I never possessed and which I understand he holds the copyright on.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

DATED this 11 day of January, 2023 at Montreal, Quebec.

R. M.

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